

**“Data on Employment of People with Disabilities”**

**Determining the Number People with the Earnings Potential to Leave the DI/SSI Rolls**

A Report on Deliverable 5

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## Introduction

The objective of Deliverable 5 is to identify which persons receiving federal disability transfer payments have the earnings potential to eventually leave the rolls. Addressing this issue requires two distinct tasks: 1) determining who is receiving disability benefits, and 2) examining what these individual's earnings are over various time periods. The first task is concerned with identifying which applicants for vocational rehabilitation (VR) services from the Virginia Department of Rehabilitative Services (DRS) in state Fiscal Years (FY) 1988 and 2000 have received Social Security Administration (SSA) Disability Insurance (DI) or Supplemental Security Income (SSI) benefits at some point during their involvement with the DRS.

Section I of this report examines the data and process used to identify the VR applicant's SSA status. The methods of collecting and recording this information differed significantly between the 1988 and 2000 applicant cohorts. Further, there are two different procedures for identifying whether such individuals have "standing" with SSA. One method is via self-reporting by the VR consumer at various stages of the VR process. The other consists of a verification process conducted by the DRS central office after the consumer has agreed to a specified employment plan. There are trade-offs with either approach that will be identified.

Section II will start off examining the number of DI and SSI recipients according to self-reporting of their SSA status at the times of application, during, and at closure from the VR program. The number of respondents is investigated for both the FY 1988 and FY2000 applicant cohorts. The number of persons whose SSA status is "verified" is then reported. Finally, comparisons are made between the self-reported cases and those validated by DRS. Discrepancies are noted and attempts are made to reconcile any differences.

The second task is to examine these two cohort's quarterly earnings, as reported to the Virginia Employment Commission (VEC), to make some judgments about the extent to which these people have sufficient earnings to leave the SSA disability rolls. Section III examines earnings on a quarterly basis immediately prior to, during, and after VR application. This short-term period covers five years and comprises three intervals "aligned" around the quarter in which VR participation took place. The first interval includes each of the four quarters immediately prior to the quarter in which VR application took place. The second interval includes up to 12 quarters of earnings during the variable duration of a VR "intervention." The final interval consists of each of the four quarters immediately following VR closure. These earnings are examined first for persons who self-report their status to identify any discrepancies that may emerge. Earnings are then reported separately for those whose SSA status is verified for both the FY 1988 and FY 2000 cohorts. Using some conservative assumptions about the distribution of earnings over a quarterly interval, estimates are then made about the number of SSA disability benefit recipients with the earnings potential to leave the rolls.